



*Brian D. O'Connell  
Regional Director  
State Government Relations*

---

*General Motors  
124 W. Allegan St.  
Suite 1420  
Lansing, MI 48933  
Phone: 517-377-2077  
Fax: 517-377-5369*

April 9, 2013

Dear Mr. Chairman and Members of the Committee:

My name is Brian O'Connell and I am the Regional Director of State Government Relations for General Motors. I would like to start by stating that last Thursday GM announced an \$892.7 million investment in Michigan facilities, helping to retain over 1,200 jobs in the state. This brings GM's total investment in Michigan in the past three years to over \$4 billion with the creation or retention over 10,000 jobs.

Today I am testifying regarding SB 265. This is a follow up bill to the Detroit Regional Transit Authority legislation (SB 909, SB 911, SB 912, SB 967 and SB 445) that passed during lame duck in December 2012. SB 265 will address an unfortunate negative financial impact the DRTA bill could potentially have on General Motors' Research and Development (R&D). As you know, the DRTA bill had language allowing potential registration fees of \$1.20 per every \$1000 of a vehicle's value for automobiles registered in the Macomb, Oakland, Washtenaw and Wayne County area to pay for public transit. As this bill was passed, these fees could be levied on GM's test fleet.

At any given time, GM has approximately 11,000 vehicles registered at the Secretary of State's branches in Southeast Michigan. A vast majority of these vehicles are critical to GM's world research and development, and are exempt from federal tax under U.S. Treasury Regulations. As you are all aware, the testing and evaluation process is critical to GM's success as a company and to our ability to remain the number one automobile manufacturer in the world.

Detroit is the heart of the automotive industry and it is our intention to keep a significant amount of our research and development investments within our state and the Southeast Michigan region.

I am here to ask for your support of SB 265 to exempt our test vehicles from this potential fee.